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BY-LAWS

OF

FEDERAL CROP INSURANCE CORPORATION

OCTOBER 2, 1950

ARTICLE I -- TITLE AND LOCATION

Section 1. Title -- The name of the Corporation is the Federal Crop Insurance Corporation.

Section 2. Location -- The location of the principal office of the Corporation shall be in the Southern Extensible Building, Department of Agriculture, City of Washington, District of Columbia. The Corporation shall have branch and field offices at such other places within the United States as the Board may from time to time establish.

ARTICLE II -- DIRECTORS

Section 1. Number and Qualifications -- The Board shall consist of the Manager of the Corporation, two other persons employed in the Department of Agriculture, and two persons experienced in the insurance business who are not otherwise employed by the Government.

Section 2. Appointment, Term of Office, and Vacancies -- The members of the Board shall be appointed by, and hold office at the pleasure of the Secretary of Agriculture, who shall not, himself, be a member of the Board. Vacancies on the Board, so long as there shall be three members in office, shall not impair the powers of the Board to execute the functions of the Corporation, and three of the members in office shall constitute a quorum for the transaction of the business of the Board. Vacancies in the Board shall be filled in the same manner as appointments to the original Board.

Section 3. Compensation -- The Directors of the Corporation who are employed in the Department of Agriculture shall receive no additional compensation for their services as such Directors but may be allowed necessary traveling and subsistence expenses when engaged in business of the Corporation outside the District of Columbia. The members of the Board who are not employed by the Government shall be paid such compensation for their services as Directors as the Secretary of Agriculture shall determine, but such compensation shall not exceed \$50.00 per day each when actually employed and transportation expenses plus not to exceed \$10.00 per diem in lieu of subsistence expenses when on business of the Corporation away from their homes or regular places of business.

Section 4. Chairman -- The Secretary of Agriculture shall designate one of the members of the Board to act as Chairman and the member so designated shall preside over meetings of the Board. In the absence of the Chairman from any meeting, the members of the Board present shall designate one of their number to act as Chairman for the purpose of the meeting.

ARTICLE III -- POWERS AND DUTIES OF THE BOARD

Section 1. Powers and Duties -- The powers and duties of the Board shall be as follows:

- (a) The Board, subject to the general supervision of the Secretary of Agriculture, shall manage the affairs of the Corporation.
- (b) The Board may establish or utilize committees or associations of producers and make payments to such committees or associations to cover the estimated administrative expenses to be incurred by them in cooperating with the Corporation and may also provide that all or part of such estimated expenses may be included in the insurance premiums charged by the Corporation.
- (c) The Board may, in its discretion, utilize producer-owned and producer-controlled cooperative associations.
- (d) The Board may recommend to the Secretary of Agriculture the bureaus and offices of the Department and other agencies of the State and Federal Governments which may be utilized in carrying out the Federal crop insurance program.
- (e) The Board shall determine the compensation of any committee appointed by the Secretary of Agriculture to advise the Corporation with respect to its activities. Such compensation per day while actually employed shall not be in excess of \$10.00, plus actual necessary traveling and subsistence expenses, or in lieu of subsistence expenses, a per diem allowance.
- (f) The Board, with the approval of the Secretary of Agriculture, may call for payment, in whole or in part, of the capital stock of the Corporation.
- (g) The Board shall determine the character and necessity of the expenditures of the Corporation and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any law (other than the Federal Crop Insurance Act, as amended) governing the expenditure of public funds. Such determinations by the Board, upon approval of the Secretary of Agriculture, shall be final and conclusive upon all other officers of the Government.
- (h) The Board shall have such other powers and duties as are vested in it by the Federal Crop Insurance Act, as amended.

ARTICLE IV -- MEETINGS OF THE BOARD

Section 1. Calling Meetings -- Meetings of the Board may be called by the Secretary of Agriculture, the Chairman of the Board, the Manager of the Corporation, or by any three members of the Board.

Section 2. Notice of Meetings -- The members of the Board shall be given not less than three days' notice of any meeting of the Board. Such notice shall not be construed to be limited to personal notice but may be given in writing by delivering or mailing the same to the office or home of the member. Where notice is given by mail, allowance shall be made for the time normally required for delivery to the office or home of the member in order that the notice period shall not be less than three days. The notice of any meeting shall contain a statement of the time, place and purpose of the meeting.

Section 3. Waiver of Notice -- Notwithstanding the provisions of section 2 of this ARTICLE, notice of any meeting shall not be necessary if such notice is waived by all of the members of the Board.

Section 4. Approval of Minutes -- The minutes of each meeting of the Board shall be approved by the Board.

ARTICLE V -- OFFICERS

Section 1. Manager -- The Manager of the Corporation shall be its chief executive officer and, subject to the control of the Secretary of Agriculture and the Board, shall have general supervision over the affairs of the Corporation with authority to take such action within or incidental to the ordinary course of business of the Corporation as he deems necessary or advisable. He shall be appointed by, and hold office at the pleasure of the Secretary of Agriculture.

The Manager shall have published and distributed regulations approved by the Secretary of Agriculture and the Board, shall issue instructions and procedures for putting such regulations into effect, with authority to modify the requirements of such regulations to prevent hardship or inequity in cases he deems unusual and shall in the name of the Corporation execute or cause to be executed policies, deeds, leases, bonds, mortgages, contracts, notes, bids, and other Corporation documents.

The Manager shall recommend to the Secretary of Agriculture, following regulations of the Department of Agriculture regulating personnel actions, the appointment, removal, powers, duties and compensation of all officers and employees of the Corporation.

The Manager shall keep the Board informed as to the business and financial affairs of the Corporation, shall report at all meetings of the Board upon the operation of the Corporation and shall present to the Board annually for its consideration the proposed budget for the next ensuing fiscal year.

The Manager shall perform such other duties and exercise such other powers as have been from time to time or may be later conferred upon him by the Board.

Section 2. Secretary -- The Secretary of the Corporation, upon recommendation of the Board, shall be appointed by the Secretary of Agriculture.

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The Secretary shall give notice of all meetings of the Board when requested to do so by the person or persons authorized to call such meetings and shall attend all meetings of the Board and record all proceedings of the meetings in a book kept for that purpose. He shall have custody of the seal of the Corporation and shall affix the same to any instrument requiring a Corporate seal.

The Secretary shall perform all the duties incident to the office of Secretary and such other duties as may be assigned to him from time to time by the Manager or the Board.

Section 3. Other Officers -- The Secretary of Agriculture, upon the recommendation of the Board, shall appoint such other officers of the Corporation as he may deem necessary.

ARTICLE VI -- CORPORATE SEAL

Section 1. The Corporate seal of the Corporation shall have inscribed thereon "Federal Crop Insurance Corporation, a Corporation of the United States of America, 1938, Corporate Seal". The seal of the Corporation may be affixed to any document by a facsimile thereof being impressed or otherwise reproduced thereon.

ARTICLE VII -- OFFICIAL REGULATIONS

Section 1. Official Regulations -- The regulations of the Department of Agriculture, its procedures and its administrative policies, shall govern the operations and activities of the Federal Crop Insurance Corporation, except with respect to the issuance of contracts of insurance, the sale and purchase of grain, the adjustment and settlement of claims for indemnities, the payment of indemnities, the transportation of commodities, the system of accounting, and such other matters as may be specifically authorized by the Board; and with respect to these exceptions, the regulations and general administrative policies of the Corporation are to be written in docket style and are to be recommended by the Manager and approved by the Board of Directors and the Secretary of Agriculture.

ARTICLE VIII -- ADOPTION, AMENDMENT, OR
REPEAL OF BY-LAWS

Section 1. Adoption, Amendment, or Repeal of By-Laws -- The by-laws of the Corporation shall be adopted, amended or repealed only by a majority vote of the members of the Board and shall become effective only upon the approval of the Secretary of Agriculture.

Adopted by the Board of Directors on September 22, 1950.

R. J. Posson

Secretary,
Federal Crop Insurance Corporation

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Approved on October 2, 1950.

Charles F. Brannon

Secretary of Agriculture

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